



**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

**FILED**

Order Instituting Rulemaking Into  
Implementation of Federal Communications  
Commission Report and Order 04-87, As It  
Affects The Universal Lifeline Telephone Service  
Program.

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**COMMENTS OF COX CALIFORNIA TELCOM, LLC, DBA COX COMMUNICATIONS,  
ON THE ASSIGNED COMMISSIONER'S RULING TEMPORARILY  
SUSPENDING PORTIONS OF GENERAL ORDER 153 RELATING TO THE  
ANNUAL ULTS/CALIFORNIA LIFELINE VERIFICATION PROCESS**

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Dated: November 6, 2006

Pursuant to the Assigned Commissioner Ruling, dated November 1, 2006, (“ACR”) Cox California Telcom, L.L.C., *dba* Cox Communications (U 5684 C) (“Cox”) submits these timely comments on the ACR.

The ACR correctly concludes that there are numerous issues concerning the implementation and on-going management of the California Lifeline program (“Lifeline Program” or “Program,”) that the Commission must immediately address to ensure that eligible customers are not unnecessarily or unreasonably rejected from participating in the Program. Cox commends Commissioner Grueneich, Staff and the Commission for undertaking the difficult but necessary step of suspending certain portions of General Order (“GO”) 153.

In addition to the actions set forth in the ACR, Cox recommends that the Commission undertake the following to ensure successful operation of the Lifeline Program:

- review the certification process to determine if changes are necessary as it is similar to the verification process that the ACR suspends;
- address other problems that impact customers enrolling in and qualifying for the Program;
- confirm that carriers will be able to submit claims, among others, for customers enrolled in the Lifeline Program due to the suspension of GO 153 even though they may not verify their enrollment once the suspension is lifted; and
- establish a Project Management Team that will handle implementation of the Lifeline Program on a going-forward basis.

**I. Suspension Of The Verification Process In GO 153 Requires The Commission To Also Review The Certification Process.**

Converting the self-certification program to a process involving a third party administrator with which customers, carriers and Staff must routinely interface has proven to be a monumental task. The task requires the approximate 3.5 million existing Lifeline Program customers to all verify their eligibility in a relatively short period of time. Undertaking and completing this task using a brand new process and in an expedited timeframe made the challenging conversion process even more difficult. Nonetheless, the Commission, the third-party administrator Solix and the carriers made tremendous efforts to verify eligibility for existing Lifeline Program customers and to certify new Lifeline Program customers.

The ACR acknowledges that the verification process is “not working well” as either a significant percentage of existing customers have not submitted their verification forms or Solix has not accepted their verification forms and customers are complaining to the Commission in large numbers.<sup>1</sup> Cox agrees that suspending the current verification process is the correct action to take due to the numerous and significant problems eligible customers, the Commission, Solix and carriers are experiencing. The

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<sup>1</sup> ACR, pp. 1-2.

verification process for existing subscribers, however, is substantially similar to the certification process to which new Lifeline subscribers must adhere. Due to the overlap in the underlying processes, the Commission should also commit to reviewing the certification process.

Most, if not all of the implementation issues discussed in the ACR apply to both certification and verification by Lifeline customers. For example, new subscribers must return the Lifeline Certification Form sent by Solix to qualify for Lifeline service, much like the Verification Form process. These two forms are substantially the same,<sup>2</sup> and Solix follows similar procedures in generating and processing these forms. As proposed in the ACR, new subscribers would also benefit from receiving an envelope imprinted with a message that requires their immediate attention.<sup>3</sup> Further, new subscribers and existing subscribers must submit the applicable form within 30 days of Solix sending out such forms.<sup>4</sup> As set forth in the ACR, like existing subscribers, new customers would benefit from solutions related to the 60-day verification process and proper identification of Lifeline notices, among others.<sup>5</sup> Additionally, Cox identifies other implementation problems below that adversely impact both new and existing subscribers.

If the Commission modifies the requirements for the verification process, then it should consider adopting the same or similar modifications for the certification process. Addressing only the verification process and not the certification process would result in some customers being subject to the regulations set forth in GO 153 while others will be granted immunity and allowed discounts that may or may not be valid.

## **II. The ACR Does Not Describe All Of the Implementation Issues Concerning the California Lifeline Program.**

The ACR identifies some of the problems that require the Commission to suspend the verification process, but there are additional problems that the Commission must immediately address. These issues require immediate attention because they directly impact whether a Lifeline customer will be able to readily enroll in and qualify for the Program.

Based on feedback Cox received from its customers, Cox submits that the IVR system is not user-friendly due to the “layered” options that the customer must navigate through in order to obtain answers to their questions. The system assumes that customers have a full knowledge about the available options and due to the layering of the system customers are often bounced back to the carriers unnecessarily. For example, Cox learned that customers utilizing the IVR system are often prompted through a number of options only to hear an announcement that they should contact their carrier. This is problematic for two reasons. First, the customer does not obtain the information she is seeking. Second, carriers do not have the information that customers are seeking nor the ability to fully assist the customers. This results in

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<sup>2</sup> See samples of the verification form and the certification form at <http://www.californialifeline.com/source/Forms.aspx>.

<sup>3</sup> ACR, p. 3.

<sup>4</sup> GO 153, Appendix E.

<sup>5</sup> ACR, pp. 3-4.

customers being unnecessarily bounced back and forth between the IVR system and the carrier without obtaining the assistance they seek.

In fact, customers contacting carriers for information that carriers do not have or have access to is an enormous problem. One way to improve operation of the Lifeline Program would be for Solix to grant carriers access to their customers' data in Solix's system on a read-only basis. Solix does provide regular updates, but these updates include information concerning customers who have been qualified or rejected. The updates do not provide information on pending applications. Allowing a carrier to query the Solix database for records related only to that carrier's customers would greatly improve the system. Presently, if a customer calls Cox to inquire about the status of her enrollment in the Program, Cox has no information about that customer unless Solix has verified or rejected her application. If Cox could query the Solix database and determine the date that Solix sent out the verification forms, for example, Cox could relay that information to the customer. The customer would then know when to expect the forms and could be on the look-out for them.

Finally, Cox has also learned that the verification process is unnecessarily rigid. For example, a customer may submit documentation in support of her enrollment after the required response date. Cox understands that under the present process, the documentation is not considered and the customer is rejected from the Program. This means the customer must re-start the entire certification process. This is extremely burdensome for both the customer and the carrier. Carriers must re-rate services, make billing adjustments and assist the customer when she enrolls again. The customer must contact the carrier, re-enroll, fill out all forms and send in all required papers. While it is important to have meaningful deadlines with any program, there needs to be some flexibility so that eligible customers are not needlessly denied.

### **III. Problems with Existing Process and Suspension of GO 153 Impose Substantial Burdens on Carriers.**

The problems identified in the ACR and in these comments require carriers to incur costs that they would not otherwise incur. The ACR should clarify that carriers may submit reimbursement claims for these costs. First, the ACR states that carriers will be instructed to back-date existing Lifeline customers participation in the Lifeline program to the date they were removed from the Program. Cox does not oppose this requirement even though entering billing adjustments is an expensive and time-consuming process. Based on the systems Cox has deployed and the magnitude of the problem, Cox will either make manual billing adjustments or develop a program to automatically update such records. Either option requires the expenditure of resources that Cox would not have otherwise expended.

Second, while carriers will be required to re-enroll an existing customer in the Program under the ACR, the ACR does not state that carriers will be able to submit claims for such customers even if they do not submit a proper verification once the suspension is lifted.

Third, the current implementation process has significantly burdened carriers. The ACR correctly acknowledges that a significant number of customers have contacted carriers' call centers. This burden was not anticipated and created a burden on Cox's California call centers. This is unfortunately true, in part, due to the inflexibility of the Solix IVR system as detailed above.

The ACR should make clear that carriers may submit claims for (a) expenses associated with re-enrolling customers under the ACR; (b) any existing customer that they re-enroll even if such customer does not provide verification after the suspension is lifted; and (c) expenses associated with the unanticipated call volume and related Lifeline Program implementation issues.

The ACR also states that "carriers will be instructed to back-date" existing Lifeline customers that have not submitted verification.<sup>6</sup> It's not clear from this language or the ordering paragraphs whether the ACR is ordering carriers to immediately back-date enrollment for given customers or whether the Commission will issue a separate ruling in the future on this matter. Cox recommends that if the Commission anticipates ordering carriers to implement any other billing adjustments, it should issue a single order in the future that addresses any and all billing adjustments. This will allow carriers to limit their costs in implementing such adjustments.

#### **IV. Solutions Must Involve Input From All Interested Carriers.**

The ACR details some of the problems occurring with the Lifeline Program and also identifies a number of solutions that Staff is considering implementing. The ACR properly orders Staff to conduct a workshop to remedy existing problems. Cox agrees that workshops are a good first step and looks forward to attending and participating at the workshops. But the Commission must also take steps to ensure there is active, on-going management of the Lifeline Program Certification and Verification processes by all affected parties. Cox strongly recommends that the Commission establish a Project Management Team comprised of Staff, Solix, interested carriers representatives to manage the implementation of GO 153 ("PM Team").

To date, the Lifeline Program has not had the benefit of a PM Team to oversee implementation and resolution of problems areas that affect either customers or carriers. This has resulted in Solix addressing issues impacting carriers on an individual basis. While Cox appreciates the work Solix has done, it recommends that solutions Solix has provided to some carriers should have been made available to all carriers participating in the Lifeline Program. This will ultimately ensure that the Commission implements a nondiscriminatory program and that all Lifeline subscribers are treated the same.

The magnitude of the work necessary to implement the new program requirements and the number of parties involved makes it critical to have a PM Team to manage implementation, as well as the suspension of GO 153, share knowledge and resolve unforeseen problems. Over the next couple of months, the Project Team should meet weekly, at a minimum, to ensure that operational and technical

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<sup>6</sup> ACR, p. 5.

issues are expeditiously and successfully resolved. The PM Team should also be required to schedule, as necessary, separate technical meetings so that carriers' IT representatives can address issues specific to them.

In compliance with the ACR, Staff has scheduled workshops on November 13-14. Cox strongly recommends that parties discuss general issues on November 13 and that only technical issues are discussed on November 14. To ensure that only technical issues are discussed, the Commission should limit active participation at such workshop to Solix, Staff and carrier's subject matter experts, program managers and IT representatives.

**V. Conclusion.**

Cox agrees that it is appropriate for the Commission to suspend portions of GO 153. In doing so, the Commission should review portions of GO 153 concerning certification to determine if changes are necessary. Cox recommends that the Commission confirm that carriers may recover costs associated with both implementing and suspending GO 153. Finally, the Commission should direct Staff to establish a Project Management team.

Date: November 6, 2006

Respectfully submitted,



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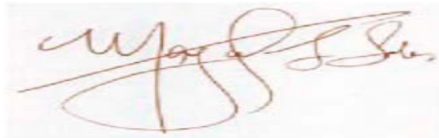
I, Margaret L Tobias, the undersigned, hereby declare that, on November 6, 2006, caused a copy of the foregoing:

**COMMENTS OF COX CALIFORNIA TELCOM, LLC, DBA COX COMMUNICATIONS,  
ON THE ASSIGNED COMMISSIONER'S RULING TEMPORARILY  
SUSPENDING PORTIONS OF GENERAL ORDER 153 RELATING TO THE  
ANNUAL ULTS/CALIFORNIA LIFELINE VERIFICATION PROCESS**

in the above-captioned proceeding, to be served as follows:

- ☒ [ X ] Via hand-delivery to the Assigned Commissioner
- ☒ [ X ] Via email service and hand-deliver to Administrative Law Judge
- ☒ [ X ] Via email service to all parties included in the attached service

Dated: November 6, 2006 at San Francisco, California.



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Margaret L. Tobias

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